



Budget Adjustment

MFMA Section 28 Report

2020/2021

Dipaleseng Local Municipality

1.1 Overview

1.2 Background

The 2020/21 MTREF was approved by Council on 31 May 2020 in accordance with Section 24(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) and applicable National treasury finance management reform requirements.

Section 72 of the MFMA stipulates that the Accounting Officer must by 25 January assess the performance of the municipality during the first half of the financial year. Section 72 (3), read with section 54 (1) (f) & section 54 (2) stipulates that as part of the performance assessment of the municipality during the first half of the financial year, the Accounting Officer must make recommendations as to whether an adjustments budget is necessary and recommend revised projections for revenue and expenditure, to the extent that it may be necessary

The Mid-year budget assessment report considered by Council indicated the necessity for tabling an Adjustment Budget for the 2020/21 financial year for inter alia, the following:

- To authorize the utilization of projected savings in one vote towards spending under another vote.
- To cut expenses as far as possible to ensure the budget is funded
- To ensure that additional Capital expenditure is included in the budget, and
- To facilitate the inclusion of rolled over/transfer grant funding.

Circular 93 of Municipal Finance Management Act (Act 56 of 2003) states that Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution. It has been agreed that no municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. As a result, such municipalities must, together with their 2020/21 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility. The assessment of the 2020/21 MTREF budgets have shown a deterioration with more budgets being unfunded. Plans and support will have to be re- evaluated to produce a positive outcome.

1.3 Regulation

In terms of Section 28 of the Municipal Finance Management Act (Act 56 of 2003) a municipality may revise an approved annual budget through an adjustment budget. It is important to note that the adjustment budget is not a re-budgeting process, thus fiscal discipline must be adhered to at all times. Only the Mayor may table an adjustment budget in the municipal council and it may only be tabled within prescribed limitations as to timing or frequency. In terms of the Municipal Budget and Reporting Regulations, only one adjustment budget may be tabled in Council during the financial year, after tabling of the mid-year budget and performance assessment, but not later than 28 February.

1.4 Executive Summary

The Adjustment Budget was prepared in terms of the guidelines contained in Section 28(2) of the MFMA and furthermore ensures that the Municipality continues delivery on its core mandate and identified priorities and principles, achieve its developmental goals and entails prioritizing all available resources towards essential services and contractual financial commitments.

In general, the aim with the compilation of the 2020/21 Adjustment Budget is to align the expenditure to the revenue and ensure that the budget is funded. The Head of Departments need to apply belt tightening measures by reprioritizing and down scaling of non-core functions to uphold service delivery towards core functions on a sustainable level. Furthermore measures in place are the funds management tool, which assists in budgeted allocations not being exceeded and savings to be affected as far as possible.

The under mentioned principles gave guidance to the compilation of the 2020/21 Adjustment Budget:

- A. The Budget must be funded in terms of the funding compliance procedure set out in MFMA Circular 93.
- B. Affordability within the context of sustainability must be considered and maintained.
- C. No additional funding capacity is available on the budget therefore no additional funding requests will be accommodated during the Adjustment Budget process Funding will only be considered subject to:
 - a. A projected under collection in revenue that will result in a request to decrease the relevant revenue, must be accompanied by a corresponding decrease in expenditure.
 - b. Savings identified in other programmes and projects.
 - c. Grants to be received from an external source.
 - d. Submissions which relate to external funding sources must be accompanied by proof of confirmation from the relevant transferring authority.
 - e. Appropriation of funding form National/Provincial departments should be accompanied by acceptable documentation as per Municipal Budget and Reporting Regulations (MBRR).

- D. Filling of vacancies should be processed within current allocation.
- E. Overtime to be managed within the available resources and departments are encouraged to adopt a shift system to manage overtime expenditure.
- F. Repairs and Maintenance should not be compromised.
- G. Consideration needed to be given to the business plans, including targets and objectives.
- H. Departments need to concentrate on core functions, proactively review and reprioritize their budget and identify savings that can be affected during the Adjustment Budget process to assist with the Municipality's financial position.
- I. Should the departments be aware of any internal funding on the Capital Budget that will not be spent in the 2020/21 financial year the department must indicate the amount as a saving. No savings on grant funding will be accommodated, as all grant allocations must be spent according to the terms and conditions of the grant.

The main revisions contained in the adjustment budget are:

Appropriate additional revenue to revise spending programmes already budgeted for (section 28(2) (b)):

Additional revenue:

- R 12 930 000.00 additional equitable share allocated in the DoRA for Dipaleseng Local Municipality

This additional ES allocation was a national government response to the Pandemic. You would recall that before COVID-19 pandemic allocation for 2020/21 had already been concluded, then the Pandemic came, as a result National Government had to respond to the COVID-19 expenditure pressures that were experienced by municipalities

(a) Significant Increasing expenditure items:

- R 8 838 984.00 for Bulk Purchase of electricity (Eskom) taking into consideration the forthcoming winter season.
- R 499 992.00 for Electrical materials and stock as a result of aged infrastructure.
- R 3 471 608.00 for water materials and stock as a result of aged infrastructure.
- R 22 008.00 for protective clothing – solid waste removal due to the covid-19 pandemic

(b) Significant Decreasing expenditure items:

- R 6 000 008.00 for maintenance of transformers.
- R 5 776 492.00 for bulk purchase of water which did not realize.
- R 2 500 004.00 for operational costs in BTO which did not realize.
- R 2 000 000.00 for maintenance of buildings.
- R 1 704 192.00 for interest paid.
- R 1 500 004.00 for contracted services.
- R 800 000.00 for license fees for BTO.
- R 500 004.00 for legal fees.
- R 478 640.00 for rental of telephone system
- R 400 008.00 for training.
- R 5 919 648.00 for travel and subsistence for all departments due to the covid-19 pandemic
- R 2 028 956.00 for employee related costs for all departments.

The total increasing expenditure items is an increase of R 14 169 388.00
The total decreasing expenditure items is a reduction of R 32 054 431.00

**Therefore the total net effect on expenditure will be a reduction of
R 17 885 043.00**

(c) Significant increasing revenue items:

- R 1 584 604.00 – Service charges for water based on year to date actuals.
- R 1 190 676.00 – Service charges for sewer based on year to date actuals
- R 868 504.00 for licensing and permits based on year to date actuals
- R 130 008.00 for rental based on year to date actuals

(d) Significant decreasing revenue items:

- R 1 331 668.00 – Service charges for refuse removal.
- R 631 246.00 – Traffic fines.

**The total increasing revenue items is an increase of R 5 114 571.16
The total decreasing revenue items is a decrease of R 2 017 206.00**

**Therefore the total net effect on revenue will be an increase of
R 3 097 365.16**

Attached are all the relevant adjustment budget tables from Schedule B of the Municipal Budget and Reporting Regulations. The adjustment budget as submitted herewith contains the applicable adjustment budget tables B1 to B10.

MP306 Dipaleseng - Table B1 Adjustments Budget Summary - 26 FEB 2021

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	33,115	–	–	–	–	–	–	–	33,115	34,639	36,162
Service charges	113,000	–	–	–	–	–	1,557	1,557	114,557	118,197	123,395
Investment revenue	1,227	–	–	–	–	–	(0)	(0)	1,227	1,283	1,339
Transfers recognised - operational	86,727	–	–	–	–	–	12,930	12,930	99,657	87,578	91,430
Other own revenue	37,389	–	–	–	–	–	1,540	1,540	38,929	39,109	40,829
Total Revenue (excluding capital transfers and contributions)	271,457	–	–	–	–	–	16,027	16,027	287,485	280,806	293,155
Employee costs	68,091	–	–	–	–	–	(1,919)	(1,919)	66,173	71,224	74,356
Remuneration of councillors	5,646	–	–	–	–	–	–	–	5,646	5,906	6,166
Depreciation & asset impairment	27,407	–	–	–	–	–	–	–	27,407	28,668	29,928
Finance charges	5,304	–	–	–	–	–	(1,704)	(1,704)	3,600	5,548	5,792
Materials and bulk purchases	74,691	–	–	–	–	–	5,237	5,237	79,928	78,127	81,562
Transfers and grants	1,800	–	–	–	–	–	–	–	1,800	1,883	1,966
Other expenditure	111,578	–	–	–	–	–	(19,499)	(19,499)	92,079	116,710	121,843
Total Expenditure	294,517	–	–	–	–	–	(17,885)	(17,885)	276,632	308,065	321,613
Surplus/(Deficit)	(23,060)	–	–	–	–	–	33,912	33,912	10,852	(27,259)	(28,458)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	79,246	–	–	–	–	–	–	–	79,246	82,891	86,537
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	56,186	–	–	–	–	–	33,912	33,912	90,099	55,633	58,079
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	56,186	–	–	–	–	–	33,912	33,912	90,099	55,633	58,079
Capital expenditure & funds sources											
Capital expenditure	79,246	–	–	–	–	–	–	–	79,246	83,870	87,559
Transfers recognised - capital	79,246	–	–	–	–	–	–	–	79,246	83,870	87,559
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funds	79,246	–	–	–	–	–	–	–	79,246	83,870	87,559
Financial position											
Total current assets	238,743	–	–	–	–	–	(67,358)	(67,358)	171,385	(128,340)	(114,282)
Total non current assets	511,646	–	–	–	–	–	–	–	511,646	83,870	87,559
Total current liabilities	253,891	–	–	–	–	–	(101,270)	(101,270)	152,621	(94,646)	(92,482)
Total non current liabilities	28,849	–	–	–	–	–	–	–	28,849	–	–
Community wealth/Equity	467,649	–	–	–	–	–	33,912	33,912	501,561	55,633	58,079
Cash flows											
Net cash from (used) operating	336,882	–	–	–	–	–	(195,533)	(195,533)	141,349	(263,033)	(271,609)
Net cash from (used) investing	(79,246)	–	–	–	–	–	79,258	79,258	12	–	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	257,782	–	–	–	–	–	(116,274)	(116,274)	141,508	(121,525)	(403,742)
Cash backing/surplus reconciliation											
Cash and investments available	119,615	–	–	–	–	–	21,893	21,893	141,508	–	–
Application of cash and investments	62,774	–	–	–	–	–	30,546	30,546	93,321	(94,646)	(92,482)
Balance - surplus (shortfall)	56,841	–	–	–	–	–	(8,653)	(8,653)	48,187	94,646	92,482
Asset Management											
Asset register summary (WDV)	511,646	–	–	–	–	–	–	–	511,646	66,648	69,579
Depreciation & asset impairment	21,941	–	–	–	–	–	–	–	21,941	22,950	23,959
Renewal and Upgrading of Existing Assets	45,000	–	–	–	–	–	–	–	45,000	47,070	49,140
Repairs and Maintenance	13,758	–	–	–	–	–	(6,300)	(6,300)	7,458	41,907	42,540
Free services											
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–	–
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–	–

MP306 Dipaleseng - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		141,504	-	-	-	-	-	14,048	14,048	155,552	148,013	154,523
Executive and council		77,715	-	-	-	-	-	14,048	14,048	91,763	81,290	84,865
Finance and administration		63,789	-	-	-	-	-	-	-	63,789	66,724	69,658
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8,825	-	-	-	-	-	420	420	9,245	9,231	9,637
Community and social services		227	-	-	-	-	-	12	12	239	237	248
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		8,598	-	-	-	-	-	408	408	9,007	8,994	9,389
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		18,756	-	-	-	-	-	-	-	18,756	19,619	20,481
Planning and development		18,756	-	-	-	-	-	-	-	18,756	19,619	20,481
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		181,619	-	-	-	-	-	1,559	1,559	183,177	186,835	195,051
Energy sources		84,638	-	-	-	-	-	135	135	84,773	85,393	89,149
Water management		21,966	-	-	-	-	-	1,564	1,564	23,530	22,976	23,987
Waste water management		65,412	-	-	-	-	-	1,191	1,191	66,603	68,421	71,430
Waste management		9,603	-	-	-	-	-	(1,332)	(1,332)	8,271	10,044	10,486
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	350,703	-	-	-	-	-	16,027	16,027	366,731	363,698	379,692
Expenditure - Functional												
<i>Governance and administration</i>		143,321	-	-	-	-	-	(10,795)	(10,795)	132,526	149,914	156,507
Executive and council		15,677	-	-	-	-	-	(710)	(710)	14,967	16,398	17,120
Finance and administration		127,644	-	-	-	-	-	(10,085)	(10,085)	117,559	133,515	139,387
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		29,527	-	-	-	-	-	(4,317)	(4,317)	25,209	30,885	32,243
Community and social services		22,936	-	-	-	-	-	(4,596)	(4,596)	18,340	23,991	25,046
Sport and recreation		1,373	-	-	-	-	-	(40)	(40)	1,333	1,436	1,499
Public safety		5,218	-	-	-	-	-	319	319	5,537	5,458	5,698
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		25,785	-	-	-	-	-	(3,049)	(3,049)	22,737	26,971	28,158
Planning and development		21,608	-	-	-	-	-	(2,799)	(2,799)	18,810	22,602	23,596
Road transport		4,177	-	-	-	-	-	(250)	(250)	3,927	4,369	4,561
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		95,885	-	-	-	-	-	276	276	96,160	100,295	104,706
Energy sources		73,461	-	-	-	-	-	3,239	3,239	76,700	76,840	80,219
Water management		12,966	-	-	-	-	-	(3,645)	(3,645)	9,321	13,563	14,159
Waste water management		2,317	-	-	-	-	-	(540)	(540)	1,777	2,424	2,531
Waste management		7,140	-	-	-	-	-	1,222	1,222	8,362	7,468	7,797
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	294,517	-	-	-	-	-	(17,885)	(17,885)	276,632	308,065	321,613
Surplus/ (Deficit) for the year		56,186	-	-	-	-	-	33,912	33,912	90,099	55,633	58,079

MP306 Dipaleseng - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i> R thousands	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		77,715	-	-	-	-	-	14,048	14,048	91,763	81,290	84,865
Vote 2 - Finance and administration		63,789	-	-	-	-	-	-	-	63,789	66,724	69,658
Vote 3 - Community and public safety		227	-	-	-	-	-	12	12	239	237	248
Vote 4 - Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Trading services		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - NULL		27,354	-	-	-	-	-	408	408	27,762	28,612	29,870
Vote 7 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - NULL		9,603	-	-	-	-	-	(1,332)	(1,332)	8,271	10,044	10,486
Vote 9 - NULL		65,412	-	-	-	-	-	1,191	1,191	66,603	68,421	71,430
Vote 10 - NULL		21,966	-	-	-	-	-	1,564	1,564	23,530	22,976	23,987
Vote 11 - NULL		84,638	-	-	-	-	-	135	135	84,773	85,393	89,149
Vote 12 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - NULL		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	350,703	-	-	-	-	-	16,027	16,027	366,731	363,698	379,692
Expenditure by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		15,677	-	-	-	-	-	(710)	(710)	14,967	16,398	17,120
Vote 2 - Finance and administration		127,644	-	-	-	-	-	(10,085)	(10,085)	117,559	133,515	139,387
Vote 3 - Community and public safety		22,936	-	-	-	-	-	(4,596)	(4,596)	18,340	23,991	25,046
Vote 4 - Economic and environmental services		7,625	-	-	-	-	-	(1,340)	(1,340)	6,285	7,976	8,327
Vote 5 - Trading services		1,373	-	-	-	-	-	(40)	(40)	1,333	1,436	1,499
Vote 6 - NULL		19,444	-	-	-	-	-	(1,334)	(1,334)	18,110	20,339	21,233
Vote 7 - NULL		3,934	-	-	-	-	-	(56)	(56)	3,878	4,115	4,296
Vote 8 - NULL		7,140	-	-	-	-	-	1,222	1,222	8,362	7,468	7,797
Vote 9 - NULL		2,317	-	-	-	-	-	(540)	(540)	1,777	2,424	2,531
Vote 10 - NULL		12,966	-	-	-	-	-	(3,645)	(3,645)	9,321	13,563	14,159
Vote 11 - NULL		73,461	-	-	-	-	-	3,239	3,239	76,700	76,840	80,219
Vote 12 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - NULL		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	294,517	-	-	-	-	-	(17,885)	(17,885)	276,632	308,065	321,613
Surplus/ (Deficit) for the year	2	56,186	-	-	-	-	-	33,912	33,912	90,099	55,633	58,079

MP306 Dipaleseng - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 26 FEB 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	33,115	-	-	-	-	-	-	-	33,115	34,639	36,162
Service charges - electricity revenue	2	62,809	-	-	-	-	-	135	135	62,944	65,698	68,587
Service charges - water revenue	2	21,949	-	-	-	-	-	1,563	1,563	23,512	22,959	23,969
Service charges - sanitation revenue	2	20,409	-	-	-	-	-	1,191	1,191	21,600	21,348	22,287
Service charges - refuse revenue	2	7,832	-	-	-	-	-	(1,332)	(1,332)	6,500	8,192	8,552
Rental of facilities and equipment		179	-					130	130	309	187	195
Interest earned - external investments		1,227	-					(0)	(0)	1,227	1,283	1,339
Interest earned - outstanding debtors		27,811	-					-	-	27,811	29,091	30,370
Dividends received		-	-					-	-	-	-	-
Fines, penalties and forfeits		859	-					(631)	(631)	228	899	938
Licences and permits		0	-					-	-	0	0	0
Agency services		6,231	-					869	869	7,100	6,518	6,805
Transfers and subsidies		86,727	-					12,930	12,930	99,657	87,578	91,430
Other revenue	2	2,308	-	-	-	-	-	1,173	1,173	3,481	2,414	2,521
Gains		-	-					-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		271,457	-	-	-	-	-	16,027	16,027	287,485	280,806	293,155
Expenditure By Type												
Employee related costs		68,091	-	-	-	-	-	(1,919)	(1,919)	66,173	71,224	74,356
Remuneration of councillors		5,646	-					-	-	5,646	5,906	6,166
Debt impairment		49,699	-					-	-	49,699	51,985	54,271
Depreciation & asset impairment		27,407	-	-	-	-	-	-	-	27,407	28,668	29,928
Finance charges		5,304	-					(1,704)	(1,704)	3,600	5,548	5,792
Bulk purchases		69,138	-	-	-	-	-	3,062	3,062	72,200	72,318	75,498
Other materials		5,553	-					2,174	2,174	7,728	5,809	6,064
Contracted services		33,044	-	-	-	-	-	(10,630)	(10,630)	22,414	34,564	36,084
Transfers and subsidies		1,800	-					-	-	1,800	1,883	1,966
Other expenditure		28,835	-	-	-	-	-	(8,869)	(8,869)	19,966	30,161	31,487
Losses		-	-					-	-	-	-	-
Total Expenditure		294,517	-	-	-	-	-	(17,885)	(17,885)	276,632	308,065	321,613
Surplus/(Deficit)		(23,060)	-	-	-	-	-	33,912	33,912	10,852	(27,259)	(28,458)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		79,246	-					-	-	79,246	82,891	86,537
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher		-	-					-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-					-	-	-	-	-
Surplus/(Deficit) before taxation		56,186	-	-	-	-	-	33,912	33,912	90,099	55,633	58,079
Taxation		-	-					-	-	-	-	-
Surplus/(Deficit) after taxation		56,186	-	-	-	-	-	33,912	33,912	90,099	55,633	58,079
Attributable to minorities		-	-					-	-	-	-	-
Surplus/(Deficit) attributable to municipality		56,186	-	-	-	-	-	33,912	33,912	90,099	55,633	58,079
Share of surplus/ (deficit) of associate		-	-					-	-	-	-	-
Surplus/ (Deficit) for the year		56,186	-	-	-	-	-	33,912	33,912	90,099	55,633	58,079

MP306 Dipaleseng - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 26 FEB 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and administration		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and public safety		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Trading services		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - NULL		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and administration		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and public safety		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Trading services		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - NULL		17,781	-	-	-	-	-	-	-	17,781	-	-
Vote 7 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - NULL		45,000	-	-	-	-	-	-	-	45,000	66,648	69,579
Vote 10 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - NULL		16,465	-	-	-	-	-	-	-	16,465	17,222	17,980
Vote 12 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - NULL		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - NULL		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		79,246	-	-	-	-	-	-	-	79,246	83,870	87,559
Total Capital Expenditure - Vote		79,246	-	-	-	-	-	-	-	79,246	83,870	87,559
Capital Expenditure - Functional												
Governance and administration		-	-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		17,781	-	-	-	-	-	-	-	17,781	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		17,781	-	-	-	-	-	-	-	17,781	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		61,465	-	-	-	-	-	-	-	61,465	83,870	87,559
Energy sources		16,465	-	-	-	-	-	-	-	16,465	17,222	17,980
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		45,000	-	-	-	-	-	-	-	45,000	66,648	69,579
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	79,246	-	-	-	-	-	-	-	79,246	83,870	87,559
Funded by:												
National Government		79,246	-	-	-	-	-	-	-	79,246	83,870	87,559
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	79,246	-	-	-	-	-	-	-	79,246	83,870	87,559
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-
Total Capital Funding		79,246	-	-	-	-	-	-	-	79,246	83,870	87,559

MP306 Dipaleseng - Table B6 Adjustments Budget Financial Position - 26 FEB 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		119,615	-					21,893	21,893	141,508	-	-
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	118,229	-	-	-	-	-	(86,217)	(86,217)	32,012	(134,148)	(120,347)
Other debtors		859	-					(859)	(859)	0	-	-
Current portion of long-term receivables		-	-					-	-	-	-	-
Inventory		40	-					(2,174)	(2,174)	(2,134)	5,809	6,064
Total current assets		238,743	-	-	-	-	-	(67,358)	(67,358)	171,385	(128,340)	(114,282)
Non current assets												
Long-term receivables		-	-					-	-	-	-	-
Investments		-	-					-	-	-	-	-
Investment property		53,184	-					-	-	53,184	-	-
Investment in Associate		-	-					-	-	-	-	-
Property, plant and equipment	1	458,056	-	-	-	-	-	-	-	458,056	83,870	87,559
Biological		-	-					-	-	-	-	-
Intangible		405	-					-	-	405	-	-
Other non-current assets		-	-					-	-	-	-	-
Total non current assets		511,646	-	-	-	-	-	-	-	511,646	83,870	87,559
TOTAL ASSETS		750,388	-	-	-	-	-	(67,358)	(67,358)	683,031	(44,469)	(26,724)
LIABILITIES												
Current liabilities												
Bank overdraft		-	-					-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		1,528	-					-	-	1,528	-	-
Trade and other payables		231,837	-	-	-	-	-	(101,270)	(101,270)	130,567	(94,646)	(92,482)
Provisions		20,526	-					-	-	20,526	-	-
Total current liabilities		253,891	-	-	-	-	-	(101,270)	(101,270)	152,621	(94,646)	(92,482)
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	28,849	-	-	-	-	-	-	-	28,849	-	-
Total non current liabilities		28,849	-	-	-	-	-	-	-	28,849	-	-
TOTAL LIABILITIES		282,740	-	-	-	-	-	(101,270)	(101,270)	181,470	(94,646)	(92,482)
NET ASSETS	2	467,649	-	-	-	-	-	33,912	33,912	501,561	50,177	65,758
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		467,649	-	-	-	-	-	33,912	33,912	501,561	55,633	58,079
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		467,649	-	-	-	-	-	33,912	33,912	501,561	55,633	58,079

MP306 Dipaleseng - Table B7 Adjustments Budget Cash Flows - 26 FEB 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		21,481	–					(637)	(637)	20,844	–	–
Service charges		75,039	–					90,582	90,582	165,621	–	–
Other revenue		161,898	–					(139,166)	(139,166)	22,732	–	–
Transfers and Subsidies - Operational	1	161,898	–					(62,241)	(62,241)	99,657	–	–
Transfers and Subsidies - Capital	1	82,246	–					(3,000)	(3,000)	79,246	–	–
Interest		–	–					1,227	1,227	1,227	–	–
Dividends		–	–					–	–	–	–	–
Payments												
Suppliers and employees		(160,375)	–					(82,298)	(82,298)	(242,673)	(268,337)	(276,913)
Finance charges		(5,304)	–					–	–	(5,304)	5,304	5,304
Transfers and Grants	1	–	–					–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		336,882	–	–	–	–	–	(195,533)	(195,533)	141,349	(263,033)	(271,609)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		–	–					–	–	–	–	–
Decrease (increase) in non-current receivables		–	–					–	–	–	–	–
Decrease (increase) in non-current investments		–	–					–	–	–	–	–
Payments												
Capital assets		(79,246)	–					79,258	79,258	12	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(79,246)	–	–	–	–	–	79,258	79,258	12	–	–
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		–	–					–	–	–	–	–
Borrowing long term/refinancing		–	–					–	–	–	–	–
Increase (decrease) in consumer deposits		–	–					–	–	–	–	–
Payments												
Repayment of borrowing		–	–					–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		257,636	–	–	–	–	–	(116,274)	(116,274)	141,362	(263,033)	(271,609)
Cash/cash equivalents at the year begin:	2	146	–					–	–	146	141,508	(132,133)
Cash/cash equivalents at the year end:	2	257,782	–	–	–	–	–	(116,274)	(116,274)	141,508	(121,525)	(403,742)

MP306 Dipaleseng - Table B8 Cash backed reserves/accumulated surplus reconciliation - 26 FEB 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
<u>Cash and investments available</u>												
Cash/cash equivalents at the year end	1	257,782	-	-	-	-	-	(116,274)	(116,274)	141,508	(121,525)	(403,742)
Other current investments > 90 days		(138,167)	-	-	-	-	-	138,167	138,167	0	121,525	403,742
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		119,615	-	-	-	-	-	21,893	21,893	141,508	-	-
<u>Applications of cash and investments</u>												
Unspent conditional transfers		80,471	-	-	-	-	-	(78,171)	(78,171)	2,300	178,995	189,735
Unspent borrowing			-						-	-		
Statutory requirements			-						-	-		
Other working capital requirements	2	(17,697)	-					108,717	108,717	91,021	(273,641)	(282,217)
Other provisions			-						-	-		
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:		62,774	-	-	-	-	-	30,546	30,546	93,321	(94,646)	(92,482)
Surplus(shortfall)		56,841	-	-	-	-	-	(8,653)	(8,653)	48,187	94,646	92,482

